

House File 465 - Introduced

HOUSE FILE 465

BY McCONKEY, HUNTER, STAED,
OLDSON, BROWN-POWERS,
ANDERSON, GASKILL, DAWSON,
BEARINGER, STECKMAN, BERRY,
OURTH, HANSON, MASCHER,
WOLFE, THEDE, and T. TAYLOR

A BILL FOR

1 An Act relating to the amount of the earned income credit and
2 including retroactive applicability provisions.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 422.12B, subsection 1, paragraph a, Code
2 2015, is amended to read as follows:

3 a. The taxes imposed under this division less the credits
4 allowed under section 422.12 shall be reduced by an earned
5 income credit equal to the following percentage of the federal
6 earned income credit provided in section 32 of the Internal
7 Revenue Code:

8 (1) For the tax year beginning in the 2013 calendar year,
9 fourteen percent.

10 (2) For tax years beginning on or after January 1, 2014, but
11 before January 1, 2015, fifteen percent.

12 (3) For tax years beginning on or after January 1, 2015,
13 sixteen and one-half percent.

14 Sec. 2. RETROACTIVE APPLICABILITY. This Act applies
15 retroactively to January 1, 2015, for tax years beginning on
16 or after that date.

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill increases the amount of the earned income credit
21 to 16.5 percent from 15 percent of the federal earned income
22 credit provided in section 32 of the Internal Revenue Code.
23 The bill applies retroactively to tax years beginning on or
24 after January 1, 2015.